

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2358 - SB 2220

January 24, 2012

SUMMARY OF BILL: Increases the minimum dollar lease amount, from \$75,000 to \$150,000, by which the Attorney General and Reporter's Office (AG) and the State Building Commission (SBC) are required to review and approve leases involving state property.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- According to the Department of Finance and Administration, increasing this threshold will provide the AG's office with more time to focus on larger, more complex contracts and allow the Department of General Services (DGS) and SBC to streamline current processes.
- According to DGS, 84 of 131 (64%) leases in the facilities revolving fund (leases involving state property) are currently in the range of \$75,000 - \$150,000. These 84 leases would no longer need approval of the AG or SBC.
- It is estimated that any cost savings realized by the AG or SBC from reviewing a lower number of contracts will be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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